

## Message Text

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ORIGIN EA-09

INFO OCT-01 EUR-12 ISO-00 AS-01 USIA-15 PM-04 PA-02  
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R 062010Z JUL 77  
FM SECSTATE WASHDC  
TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS  
AMEMBASSY MOSCOW  
AMEMBASSY LONDON  
AMEMBASSY PARIS  
INFO CINCPAC HONOLULU  
COGARD  
GOVGUAM  
TREASURY

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ATTN PARIS FOR MARK PRATT

E.O. 11652:N/A

TAGS:SOPN, XC, US

SUBJECT:JULY 7 EA PRESS SUMMARY

1. JAPAN

JOC REPORTS US/JAPAN EXPECTED JOINTLY ANNOUNCE, PROBABLY  
WITHIN MATTER OF DAYS, SCHEDULING OF NEW SERIES BILAT  
WORKING-LEVEL TALKS IN ATTEMPT PREVENT LIKELY JAPANESE  
TRADE SURPLUS W/US THIS FY EXCEEDING 7 BIL DOLS. ADMIN  
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OFFICIALS 1ST APPROACHED GOJ W/SUGGESTION FOR SUCH CONSULTA-  
TIONS LATE LAST WK.

MITI ANNOUNCES PLANS EXPAND QUOTAS/EASE OTHER IMPORT RESTRIC-  
TIONS IN ATTEMPT PREVENT YEN FROM GOING BEYOND 260 TO  
US DOLLAR (CULLISON, JOC TOKYO). ON TOKYO FOREX MART  
7/5, YEN ROSE TO HIGHEST VALUE IN ALMOST 4 YRS, CLOSING

DAY AT 264.35 TO DOLLAR (NYT).

SUN'S SEIDEN (NAGOYA) REPORTS FUKUDA RECEIVING COOL PUBLIC RECEPTION AS HE CAMPAIGNS. QUOTES PM, 'THE TURNOUT IS AVERAGE, BUT THE MOOD IS A LITTLE UNENTHUSIASTIC.' SEIDEN NOTES FLAG-WAVING CROWDS WAITING FOR FUKUDA AT PREARRANGED LOCATION IN NAGOYA WERE BROUGHT INTO CITY ON CARAVAN OF BUSES FROM RURAL VILLAGES 2 HRS AWAY.

EC DECIDES PUT 2.2 MIL DOLS INTO NEXT YR'S BUDGET FOR PROMOTING EXPORTS TO JAPAN. FUNDS TO BE DIRECTED TOWARDS HELPING SMALL/MED-SIZED FIRMS ESTABLISH SELVES IN JAPANESE MARKET (JOC BRUSSELS).

SEIDEN DOES ITEM ON BALTIMOREANS LIVING IN TOKYO; FAMILIES FIND MORE PLUSES THAN MINUSES TO JAPANESE LIFE.

## 2. THAILAND

RTG PLANS SPEND 10 MIL DOLS TO IMPROVE LIVING CONDITIONS FOR SOME 40,000 FAMILIES LIVING IN BANGKOK SLUMS (AFP, WP).

## 3. THAILAND/MALAYSIA

MALAYSIAN SOLDIERS HAVE CROSSED INTO S THAILAND TO JOIN THAI TROOPS IN BIGGEST JOINT MIL OFFENSIVE YET AGAINST UNCLASSIFIED

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MALAYSIAN COMMUNIST GUERRILLAS. SUPPORTED BY TANKS/JETS, MALAYSIANS BEGAN CROSSING INTO SALIENT MONDAY/EXPECT ENCOUNTER ESTIMATED 3,000 INSURGENTS (UPI, WP).

## 4. INDOCHINESE REFUGEES

WH DEP PRESS AIDE GRANUM SAID 7/4 DOS' REQUEST ADMIT 15,000 INDOCHINA REFUGEES "CURRENTLY BEING REVIEWED" BY BRZEZINSKI/NSC (UPI, BALT N-A 7/5).

HEARST PAPERS' NATL EDITOR SMITH (BALT N-A 7/5) DOES ITEM ON VIET REFUGEES/THEIR GRIM FUTURE. SAYS 1,000 PER MO HAVE BEEN SECRETLY FLEEING VN SINCE BEGINNING OF YEAR/MORE AND MORE COUNTRIES HAVE BEEN REFUSING PICK THEM UP ADRIFT AT SEA. QUOTES SEN BYRD THAT ADMIN SHOULD DO MORE FOR REFUGEES. NOTES DOS HAS SOUGHT APPROVAL FROM ATTY GENRL TO INCREASE REFUGEES' MONTHLY IMMIGRATION QUOTA FROM 100 TO 400.

## 5. AUSTRALIA

AUSSIE LONGSHOREMEN 7/2 REFUSED CONTINUE LOADING FRG

FREIGHTER IN MELBOURNE HAR OR IN PROTEST POLICE ACTION VS  
DEMONSTRATORS OPPOSING SHIPMENT OF ALREADY-LOADED URANIUM  
TO US. ABOUT 30 ARRESTED AS POLICE MOVED IN ON PROTESTERS  
(LAT, 7/4).

6. INDONESIA

INDONESIA'S LATEST PLAN ATTRACT FOREIGN OIL COMPANIES--  
OFFER OF JOINT PARTICIPATION IN EXPLORATION/DEVELOPMENT  
AREAS PERTAMINA PREVIOUSLY RESERVED FOR SELF--APPARENTLY

SUCCEEDING. PLAN PART EFFORT SPUR NEW EXPLORATION ACTIV-  
ITIES AFTER '76'S RENEGOTIATION OF EXISTING PRODUCTION-  
SHARING CONTRACTS W/FOREIGN FIRMS. NEW CONTRACT TERMS  
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BOOSTED INDONESIA'S SHARE PRODUCTION FROM 65 TO 85 /IMPOS-  
ED TOUGHER COST-RECOVERY CONDITIONS ON FOREIGN"- CONTRAC-  
TORS, DAMPING ENTHUSIASM FOR NEW EXPLORATION SPENDING  
(WSI SPEC, JAKARTA).

7. KOREA

LAT'S JACKSON (WP) STATES SUZI PARK THOMSON, KEY FIGURE  
IN KOREAN BRIBERY SCANDAL PROBE, WILL ASK HOUSE ETHICS  
CMTE ALLOW HER TESTIFY PUBLICLY. THOMSON'S ATTY SAYS SHE  
HAS ALSO VOLUNTARILY SHOWN ETHICS PANEL HER NOTES FROM HER  
FEDRL GRAND JURY TESTIMONY. CMTE SOURCES SAY REQUEST  
LIKELY BE GRANTED SOON.

8. ASEAN

CSM'S MORITZ (HK) REPORTS ASEAN MEMBERS' FON MINS MEETING  
IN SINGAPORE THIS WK TO MAP OUT GUIDELINES FOR MTG ASEAN  
HEADS OF STATE SCHEDULED BEGIN KL 8/8. PRIME TOPICS FOR  
DISCUSSION INCL GROUP'S RELATIONSHIP W/VN; RELS W/US;  
GREATER STRUCTURE FOR GROUP; DETAILS FOR JOINT DEVELOPMENT  
PROJECTS.

COMMENT AND ANALYSIS

9. CHINA

PAT HOLT (FORMER SFRC CHIEF OF STAFF) WRITES (CSM 7/6)  
THAT WOODCOCK DEPARTURE FOR PEKING, VANCE'S AUGUST VISIT  
PROVIDE WELCOME OPPORTUNITY FOR MOVING US POLICY TOWARD  
PRC OFF DEAD CENTER. DIFFICULTY TAIWAN, BUT SAYS NO REASON  
THIS SHOULD CONTINUE/HAS CONTINUED TOO LONG. NOTES PRC  
UNWILLING COMMIT THEMSELVES AS TO WHAT MEANS MIGHT BE/  
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RENOUNCE USE OF FORCE--BUT HAVEN'T INSISTED ON LATTER.  
SAYS CURRENT PRC LINE--WHEN / HOW UNIFICATION CHINESE  
MATTER, NOT FACTOR US-CHINESE RELS--SOUNDS LIKE WAY OF  
PUTTING IT OFF, AND THIS OUGHT BE ENOUGH FOR US. SEES  
PROCESS NORMALIZING RELS HUNG UP OVER SLOWNESS W/ WHICH  
WASHINGTON MOVES DISENTANGLE SELF FROM TAIWAN.

AFTER NOTING THREE CHINESE CONDITIONS FOR NORMALIZATION,  
HOLT SAYS NONE BY ITSELF SEEMS UNREASONABLE. US MIL ON  
TAIWAN ALREADY REDUCED BY MORE THAN 3/4S; MUTUAL DEFENSE  
TREATY DOESN'T PROVIDE EFFECTIVE IN PERPETUITY; ONE HARDLY  
WELSHING ON COMMITMENT IF GET OUT BY FOLLOWING PROCEDURES  
IT PRESCRIBES. IF US MIL PRESENCE/DEFENSE TREATY SETTLED,

MATTER DIP RELS FALLS INTO PLACE.

HOLT SAYS ALWAYS SOMETHING HAPPENING IN EA TO PROVIDE  
EXCUSE FOR POSTPONING ACTION RE CHINA, BUT BETTER CASE  
MADE FOR W/DRAWING FROM TAIWAN THAN FROM KOREA. IF US  
GOING W/DRAW FROM KOREA, ALL MORE REASON GET ON BETTER  
SPEAKING TERMS W/ CHINESE AND NIXON '72 INITIATIVE OUGHT  
NOT BE ALLOWED WITHER LONGER ON VINE.

#### 10. SINGAPORE

FROM SINGAPORE, BARRY NEWMAN (WSJ) NOTES STREET CRIME  
DOESN'T SEEM PART CRIMINAL STYLE; SINGAPORE SAFE CITY.  
ONE REASON IS THAT SINGAPORE LAWYERS DON'T SPARE ROD.  
IN '73, "CANING"- MADE MANDATORY PUNISHMENT FOR NEARLY  
30 CRIMES; NOW PROBABLY HUNDREDS OF CANINGS/YR. RATIONALE:  
CORPORAL PUNISHMENT WORKS/ PUBLIC AND FOREIGN INVESTORS,  
REPORTEDLY APPLAUD IT/ IMPOSES STIGMA ON THOSE CANED.

SEEMS BIT UNCIVILIZED, BUT NEWMAN NOTES WAS 1ST INTRODUCED  
BY BRITISH. DESCRIBES HOW CANING CARRIED OUT/ NOTES GOVT  
ALSO HAS "VIGILANTE CORPS" / DRAGNET LAWS, ETC. SINGAPOR-  
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EANS W/ LIBERAL INCLINATIONS DON'T SEEM BRIDLE AT MEASURES.

#### 11. KOREA

LAT'S KEMPSTER SAYS CONGRESSIONAL OPPONENTS CARTER'S PLAN  
W/DRAW US TROOPS KOREA THINK WHAT THEY CALL INEPT LOBBYING  
BY WH MAY GIVE THEM WEAPON DEFEAT MOVE. HAWKS APPARENTLY

DELIGHTED BY PRES' SEEMINGLY OVERCONFIDENCE/ADMIN'S  
FRIENDS ALARMED BY IT. REP STRATTON (D-NY) REMARKS  
SECDEF APPROACHED HIM SEVERAL TIMES ON OTHER/LESS IMPORTANT  
MATTERS, BUT "NOBODY HAS COME" TALK ABOUT W/DRAWAL PLAN.

BECKMAN (CHITRIB) FINDS GAP BETW CARTER'S STYLE/SUBSTANCE.  
CITES "UNANSWERED QUESTIONS" RE KOREAN W/DRAWAL. ASKS IF  
PRES SERIOUSLY CONSIDERED ALL CONSEQUENCES, OR DID HE  
JUST "GRAB AT AN ISSUE THAT WOULD GAIN DOMESTIC POLITICAL  
MILEAGE?" SAYS IF ANSWERS TO UNASKED QUESTIONS ARE WRONG  
ONES, NO ONE WILL REMEMBER "THEATRICALS" IN EARLY PART OF  
"THE CARTER PLAY."

ANDERSON/WHITTEN (WP, NYDN) DO COLUMN ON NKOREAN REPRES-  
SION. GIVE OVERVIEW LIFE IN NK; CITE NO SOURCES, BUT  
QUOTE US ANALYST, "IT IS 1984--IN SPADES."

IN ARTICLE ON FON GOVT'S TERRORISM OPNS IN US, HANRAHAN  
(CHITRIB) NOTES LAST OCT, SK AMB HAHM ADMITTED KCIA USE  
OF "GOON PSYCHOLOGY" AGAINST SKOREANS LIVING IN US.  
NOTES HAHM HAS SINCE BEEN REMOVED FROM POST/NOW SAYS  
QUOTES ATTRIBUTED TO HIM BY UPI RESULTED FROM "MISUNDER-  
STANDING." VANCE

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## Message Attributes

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